

Isle of Capri Casinos, Inc.**Reconciliation of Net Debt to Adjusted EBITDA Ratio****For the LTM Ended July 30, 2006***As Disclosed in the 1st Quarter 2007 Earnings Conference Call on August 25, 2006***(In thousands)****Excess Cash of Restricted Subsidiaries (Including Discontinued Operations):**

Consolidated Cash and Cash Equivalents	\$	98,156
Less: Cash and Cash Equivalents of Unrestricted Subsidiaries		20,372
Less: Minimum Cash for Restricted Subsidiaries per Senior Debt Covenants		55,000
Excess Cash of Restricted Subsidiaries (Including Discontinued Operations)	\$	22,784

Net Debt of Restricted Subsidiaries (Including Discontinued Operations):

Consolidated Debt	\$	1,266,127
Plus: Unsecured Letters of Credit and Bonds of Restricted Subsidiaries		69,836
Less: Unrestricted Subsidiary Debt		220,190
Less: Excess Cash of Restricted Subsidiaries		22,784
Net Debt of Restricted Subsidiaries (Including Discontinued Operations)	\$	1,092,989

Last Twelve Months (LTM) Adjusted EBITDA (1) Adjusted for Payments from Unrestricted Subsidiaries (Including Discontinued Operations):

Consolidated LTM Adjusted EBITDA	\$	262,635
Less: LTM Adjusted EBITDA of Unrestricted Subsidiaries		40,253
Plus: Management Fees from Unrestricted Subsidiaries		7,191
Plus: Excess Cash Dividends from Unrestricted Subsidiaries		-
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries (Including Discontinued Operations)	\$	229,573

Net Debt to Adjusted EBITDA Ratio (Including Discontinued Operations):

Net Debt of Restricted Subsidiaries	\$	1,092,989
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries	\$	229,573

Net Debt to Adjusted EBITDA Ratio (Including Discontinued Operations) **4.8x**

(1) EBITDA is “earnings before interest, income taxes, depreciation and amortization.” Isle of Capri calculates Adjusted EBITDA at its properties by adding depreciation and amortization, preopening expense, management fees, other charges and non-cash items to Operating Income (Loss). Adjusted EBITDA is presented solely as a supplemental disclosure because management believes that it is 1) a widely used measure of operating performance in the gaming industry and 2) a principal basis of valuing gaming companies. Management uses property level Adjusted EBITDA as the primary measure of the Company’s operating properties’ performance, including the evaluation of operating personnel. Adjusted EBITDA should not be construed as an alternative to operating income as an indicator of the Company’s operating performance, as an alternative to cash flows from operating activities, as a measure of liquidity or as an alternative to any other measure determined in accordance with U.S. generally accepted accounting principles (GAAP). The Company has significant uses of cash flows, including capital expenditures, interest payments, taxes and debt principal repayments, which are not reflected in Adjusted EBITDA. Also, other gaming companies that report Adjusted EBITDA information may calculate Adjusted EBITDA in a different manner than the Company. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by net revenues. Fiscal 2007 and 2006 results have been reclassified to reflect the Colorado Grande-Cripple Creek, Isle-Bossier City and Isle-Vicksburg as discontinued operations.

Isle of Capri Casinos, Inc.**Reconciliation of Adjusted EBITDA to Interest Ratio****For the LTM Ended July 30, 2006***As Disclosed in the 1st Quarter 2007 Earnings Conference Call on August 25, 2006***(In thousands)****Last Twelve Months (LTM) Adjusted EBITDA (1) Adjusted for Payments from Unrestricted Subsidiaries (Including Discontinued Operations):**

Consolidated LTM Adjusted EBITDA	\$	262,635
Less: LTM Adjusted EBITDA of Unrestricted Subsidiaries		40,253
Plus: Management Fees from Unrestricted Subsidiaries		7,191
Plus: Excess Cash Dividends from Unrestricted Subsidiaries		-
LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries (Including Discontinued Operations)	\$	229,573

Last Twelve Months (LTM) Restricted Subsidiaries Gross Cash Interest Expenditure (Including Discontinued Operations):

Consolidated Net Interest Expense	\$	86,165
Plus: Consolidated Capitalized Interest		4,247
Plus: Consolidated Interest Income		3,786
Less: Consolidated Amortization of Deferred Financing Costs		2,799
Consolidated Gross Cash Interest Expenditure	\$	91,400
Unrestricted Subsidiaries Net Interest Expense	\$	11,062
Plus: Unrestricted Subsidiaries Capitalized Interest		2,398
Plus: Unrestricted Subsidiaries Interest Income		2,031
Less: Unrestricted Subsidiaries Amortization of Deferred Financing Costs		494
Unrestricted Subsidiaries Gross Cash Interest Expenditure	\$	14,997
Consolidated Gross Cash Interest Expenditure	\$	91,400
Less: Unrestricted Subsidiaries Gross Cash Interest Expenditure		14,997
LTM Restricted Subsidiaries Gross Cash Interest Expenditure (Including Discontinued Operations)	\$	76,402

Adjusted EBITDA to Interest Ratio (Including Discontinued Operations):

LTM Adjusted EBITDA Adjusted for Payments from Unrestricted Subsidiaries	\$	229,573
Restricted Subsidiaries Gross Cash Interest Expenditure	\$	76,402

Adjusted EBITDA to Interest Ratio (Including Discontinued Operations)**3.0x**

(1) EBITDA is "earnings before interest, income taxes, depreciation and amortization." Isle of Capri calculates Adjusted EBITDA at its properties by adding depreciation and amortization, preopening expense, management fees, other charges and non-cash items to Operating Income (Loss). Adjusted EBITDA is presented solely as a supplemental disclosure because management believes that it is 1) a widely used measure of operating performance in the gaming industry and 2) a principal basis of valuing gaming companies. Management uses property level Adjusted EBITDA as the primary measure of the Company's operating properties' performance, including the evaluation of operating personnel. Adjusted EBITDA should not be construed as an alternative to operating income as an indicator of the Company's operating performance, as an alternative to cash flows from operating activities, as a measure of liquidity or as an alternative to any other measure determined in accordance with U.S. generally accepted accounting principles (GAAP). The Company has significant uses of cash flows, including capital expenditures, interest payments, taxes and debt principal repayments, which are not reflected in Adjusted EBITDA. Also, other gaming companies that report Adjusted EBITDA information may calculate Adjusted EBITDA in a different manner than the Company. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by net revenues. Fiscal 2007 and 2006 results have been reclassified to reflect the Colorado Grande-Cripple Creek, Isle-Bossier City and Isle-Vicksburg as discontinued operations.